

# Exhibit 4

to August 22, 2022 Declaration of  
Nicholas Matuschak

1  
2 UNITED STATES DISTRICT COURT  
3 SOUTHERN DISTRICT OF NEW YORK

4 - - - - -x  
5 ALI KARIMI, Individually and On Behalf of  
6 All Others Similarly Situated,

7 Plaintiffs,

8 -against-

9 DEUTSCHE BANK AKTIENGESELLSCHAFT, JOHN  
10 CRYAN, and CHRISTIAN SEWING,

11 Defendants.

12 - - - - -x  
13 Virtual Zoom Deposition

14 August 12, 2022

15 11:00 a.m.

16 VIRTUAL ZOOM DEPOSITION of ZACHARY  
17 NYE, Ph.D., in the above-entitled action,  
18 held at the above time and place, taken  
19 before Jeremy Richman, a Shorthand  
20 Reporter and Notary Public of the State of  
21 New York, pursuant to the Federal Rules of  
22 Civil Procedure, and stipulations between  
23 Counsel.

24  
25 \* \* \*

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2 APPEARANCES:  
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11 BY: SHEILA RAMESH, ESQ.  
12 NICHOLAS N. MATUSCHAK, ESQ.  
ZACHARY M. MISSAN, ESQ.

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14  
15 PRESENT:

MARC FRIEDMAN, Videographer  
16 CLINT THOMAS, Concierge  
VINITA JUNEJA, NERA

17 \* \* \*

1 Z. NYE

2 Q. Okay. So, again, during the  
3 deposition, I might use the term  
4 shares, ordinary shares, GRS, but I'm  
5 always going to be talking about  
6 Deutsche Bank global registered shares,  
7 okay?

8 A. Understood.

9 Q. Okay, great. So just to  
10 confirm then, you have not been  
11 retained to opine on the efficiency of  
12 the market for any other Deutsche Bank  
13 securities, right, just the ordinary  
14 shares?

15 A. That's correct.

16 Q. Okay. And you don't discuss  
17 any other Deutsche Bank securities in  
18 any way in your report, right, only the  
19 ordinary shares?

20 A. Yes, just the shares that  
21 are -- you know, and the data I've  
22 analyzed.

23 Q. Yep.

24 Okay. So when you're talking  
25 about Deutsche Bank shares or stock in

1 Z. NYE

2 your report, you're referring solely to  
3 Deutsche Bank ordinary shares too,  
4 right?

5 A. I just want to be careful  
6 with the terminology. That's probably  
7 the case, I just -- there's a specific  
8 ticker symbol on CUSIP of the stock  
9 that we analyzed. It's all reflected  
10 in the exhibits and the data we --  
11 we've analyzed. I just want to be  
12 clear that that's the stock that we've  
13 analyzed.

14 Q. What I mean is we're not  
15 talking about the debt securities or  
16 trust-preferred securities or  
17 derivatives, we're just talking about  
18 those regular shares, right?

19 A. We are talking about the  
20 stock that I've analyzed in the report  
21 that corresponds to a specific  
22 identifying information such as CUSIPs  
23 and ICN numbers. And it's all  
24 consistent in that respect. I just  
25 don't want to --

1 Z. NYE

2 A. Can you just repeat the  
3 question, please.

4 Q. Sure. So in your event  
5 study, would you expect new, unexpected  
6 news with information that seems  
7 important about Deutsche Bank here --  
8 that's what you're talking about in  
9 your event study -- would you expect  
10 that kind of news to have a significant  
11 effect on Deutsche Bank's share price?

12 MR. LIEBERMAN: Objection to  
13 form, foundation.

14 A. What do you mean by  
15 "significant"?

16 Q. Okay. You know what, we can  
17 come back to this later, when we've  
18 talked all that through.

19 Okay. If we take out the  
20 word "significant," if we just say new,  
21 unexpected news, important-seeming  
22 information about Deutsche Bank, would  
23 you expect an effect on the share  
24 price?

25 A. In a vacuum, like in a

1 Z. NYE

2 science experiment where you can  
3 control everything and just have  
4 one piece of information that is  
5 value-relevant, then, yes, in an  
6 efficient market you should expect a  
7 price reaction, as long as the  
8 information is -- will cause, -- is  
9 likely to cause a price reaction that's  
10 larger than the contemporaneous  
11 transaction costs of trading that  
12 security.

13 But, again, it's very  
14 context-specific as to how -- you know,  
15 how information will effect the stock  
16 price. And in the real world, as I  
17 think is important for my event study,  
18 there's a lot going on with certain  
19 companies, like Deutsche Bank.

20 And so it's -- a lot of times  
21 there's multiple pieces of offsetting  
22 information that can cause a muted  
23 reaction, whereas, you might expect a  
24 larger reaction, positive or negative,  
25 in the absence of the competing effects

1 Z. NYE

2 of that confounding information.

3 Q. Got it.

4 And if the same news were  
5 repeated publicly days or weeks later,  
6 would you expect it to have a similar  
7 effect on the stock price?

8 A. So the same information, in  
9 an efficient market, no. Right? I  
10 mean, efficiency is a spectrum. So in  
11 a perfectly efficient market, no, it  
12 should not influence the price if it's  
13 old or stale or -- information.

14 But, in practice, it's -- an  
15 analyst or expert has to be very  
16 careful in determining and assessing  
17 whether one disclosure is exactly the  
18 same as a prior disclosure. And that's  
19 often a point of contention in these  
20 matters, I find.

21 Q. Got it. Got it. If we just  
22 go back to the different windows that  
23 you might apply for a second.

24 When you use a two-day  
25 window, would you wait for the reaction



1 Z. NYE

2 to occur over two days?

3 MR. LIEBERMAN: Objection to  
4 form.

5 Q. I guess maybe an easier way  
6 to put it.

7 What if there was no reaction  
8 on the first day?

9 MR. LIEBERMAN: Objection to  
10 form.

11 A. It would be -- it's  
12 context-specific, so what -- I would  
13 look at what happened on those -- on  
14 the first day and the second day,  
15 consider all of the news, all of the  
16 analyst reports, what the company said,  
17 you know, what could have -- because  
18 there -- there can be instances where,  
19 say that a relevant truth comes out,  
20 it's negative, it's bad news, but, you  
21 know, a company can misrepresent it as,  
22 you know, unfounded, or try to  
23 obfuscate that truth from, you know,  
24 actually reaching the market.

25 So in those instances, it

1 Z. NYE

2 might come out the next day. But it  
3 also might come out, you know, a month  
4 down the road or a year down the road.

5 But for that hypothetical I  
6 gave, I just want to be careful with  
7 the fact pattern during the two-day  
8 window.

9 That would probably be the  
10 number one consideration for me with  
11 respect to, you know, choosing a  
12 two-day window to analyze that price  
13 impact.

14 Q. Okay, thanks.

15 Did your event study account  
16 for market and industry effects?

17 A. Yes.

18 Q. Okay. Can you explain how.

19 A. As is standard and  
20 well-founded in academic literature and  
21 econometric literature, we're using our  
22 regression analysis to control for the  
23 effects of other likely determinants of  
24 Deutsche Bank's stock price during the  
25 control period or the class period.

1 Z. NYE

2 market indices.

3 So I -- I would certainly be  
4 happy to consider other market indices.  
5 I usually use this, the Morgan Stanley  
6 World Index, or the S&P500 as my market  
7 indices.

8 Q. Is there any reason that that  
9 would change between this calculate --  
10 this model for this report and what you  
11 do to calculate damages later?

12 MR. LIEBERMAN: Objection,  
13 calls for speculation.

14 A. As I sit here today, I don't  
15 expect to change my market index. If I  
16 was asked to assess lost causation or  
17 damages, but -- it may be necessary,  
18 depending on that analysis down the  
19 road, depending on what the facts are  
20 and -- something to consider --

21 Q. What would make that -- I'm  
22 sorry?

23 A. It's something to consider,  
24 let's just put it that way.

25 Q. What would make you change

1 Z. NYE

2 that? What facts would cause you to  
3 change your market index?

4 A. Nothing comes to mind right  
5 now. Like I said, I don't think  
6 there's much of a difference between,  
7 you know, Morgan Stanley World Index  
8 and the S&P500 index, at least  
9 generally speaking. So I don't expect  
10 to change my market index.

11 Q. And any reason to think that  
12 you would change the index that gauges  
13 industry effects that you used here for  
14 this report when you're calculating  
15 damages later?

16 A. I don't expect to change my  
17 industry index. Here it's pretty clear  
18 what Deutsche Bank considers its peer  
19 group in the diversified banking  
20 industry. So that's what I chose to  
21 measure its industry dynamics.

22 Q. And do you think that you  
23 would use the same set of analyst  
24 reports that you relied on for this  
25 report in a later calculation of

1 Z. NYE

2 damages?

3 A. I probably will -- I will  
4 definitely consider what I've already  
5 con -- you know, down the road, I will  
6 continue to consider and rely upon the  
7 analyst reports I have considered to  
8 date.

9 But I will probably, if  
10 asked, want to get the analyst reports  
11 published around the corrective event  
12 dates and also consider whatever  
13 analyst reports are produced by  
14 defendants' experts. Because, like I  
15 said earlier, defendants' experts often  
16 have access to more analyst reports  
17 than I do, on the -- when I'm just  
18 using public data vendors.

19 Q. If all these inputs are the  
20 same, is there any reason to think that  
21 the confidence levels reflected in  
22 Exhibits 11B and 11E would change?

23 A. They -- I've conducted an  
24 event study for market efficiency  
25 purposes. I think -- well, I haven't